



## Senate

General Assembly

**File No. 487**

February Session, 2014

Substitute Senate Bill No. 451

*Senate, April 10, 2014*

The Committee on Government Administration and Elections reported through SEN. MUSTO of the 22nd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

### **AN ACT CONCERNING GOVERNMENT ADMINISTRATION AND STATE CONTRACTING.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 10-29a of the 2014 supplement to  
2 the general statutes is amended by adding subdivisions (66) and (67)  
3 as follows (*Effective from passage*):

4 (NEW) (66) The Governor shall proclaim October thirtieth of each  
5 year to be Are You Dense? Breast Cancer Awareness Day to heighten  
6 public awareness of the associated presentation and available  
7 treatments for breast cancer. Suitable exercises shall be held in the  
8 State Capitol and elsewhere as the Governor designates for the  
9 observance of the day.

10 (NEW) (67) The Governor shall proclaim October ninth of each year  
11 to be Neurological Disorders Awareness Day to heighten public  
12 awareness of the associated presentation and available treatments for

13 neurological disorders. Suitable exercises shall be held in the State  
14 Capitol and elsewhere as the Governor designates for the observance  
15 of the day.

16 Sec. 2. Subsection (b) of section 10-298 of the 2014 supplement to the  
17 general statutes is repealed and the following is substituted in lieu  
18 thereof (*Effective from passage*):

19 (b) The Commissioner of Rehabilitation Services may accept and  
20 receive any bequest or gift of money or personal property and, subject  
21 to the consent of the Governor and Attorney General as provided in  
22 section 4b-22, any devise or gift of real property made to the  
23 Commissioner of Rehabilitation Services, and may hold and use such  
24 money or property for the purposes, if any, specified in connection  
25 with such bequest, devise or gift.

26 Sec. 3. Section 4a-60g of the 2014 supplement to the general statutes  
27 is repealed and the following is substituted in lieu thereof (*Effective*  
28 *October 1, 2014*):

29 (a) As used in this section and sections 4a-60h to 4a-60j, inclusive,  
30 the following terms have the following meanings:

31 (1) "Small contractor" means any contractor, subcontractor,  
32 manufacturer, service company or nonprofit corporation (A) that  
33 maintains its principal place of business in the state, (B) that had gross  
34 revenues not exceeding fifteen million dollars in the most recently  
35 completed fiscal year prior to such application, and (C) that is  
36 independent. "Small contractor" does not include any person who is  
37 affiliated with another person if both persons considered together have  
38 a gross revenue exceeding fifteen million dollars.

39 (2) "Independent" means the viability of the enterprise of the small  
40 contractor does not depend upon another person, as determined by an  
41 analysis of the small contractor's relationship with any other person in  
42 regards to the provision of personnel, facilities, equipment, other  
43 resources and financial support, including bonding.

44       (3) "State agency" means each state board, commission, department,  
45 office, institution, council or other agency with the power to contract  
46 for goods or services itself or through its head.

47       (4) "Minority business enterprise" means any small contractor (A)  
48 fifty-one per cent or more of the capital stock, if any, or assets of which  
49 are owned by a person or persons who (i) exercise operational  
50 authority over the daily affairs of the enterprise, (ii) have the power to  
51 direct the management and policies and receive the beneficial interest  
52 of the enterprise, (iii) possess managerial and technical competence  
53 and experience directly related to the principal business activities of  
54 the enterprise, and (iv) are members of a minority, as such term is  
55 defined in subsection (a) of section 32-9n, or are individuals with a  
56 disability, or (B) which is a nonprofit corporation in which fifty-one  
57 per cent or more of the persons who (i) exercise operational authority  
58 over the enterprise, (ii) possess managerial and technical competence  
59 and experience directly related to the principal business activities of  
60 the enterprise, (iii) have the power to direct the management and  
61 policies of the enterprise, and (iv) are members of a minority, as  
62 defined in this subsection, or are individuals with a disability.

63       (5) "Affiliated" means the relationship in which a person directly, or  
64 indirectly through one or more intermediaries, controls, is controlled  
65 by or is under common control with another person.

66       (6) "Control" means the power to direct or cause the direction of the  
67 management and policies of any person, whether through the  
68 ownership of voting securities, by contract or through any other direct  
69 or indirect means. Control shall be presumed to exist if any person,  
70 directly or indirectly, owns, controls, holds with the power to vote, or  
71 holds proxies representing, twenty per cent or more of any voting  
72 securities of another person.

73       (7) "Person" means any individual, corporation, limited liability  
74 company, partnership, association, joint stock company, business trust,  
75 unincorporated organization or other entity.

76 (8) "Individual with a disability" means an individual (A) having a  
77 physical or mental impairment that substantially limits one or more of  
78 the major life activities of the individual, which mental impairment  
79 may include, but is not limited to, having one or more mental  
80 disorders, as defined in the most recent edition of the American  
81 Psychiatric Association's "Diagnostic and Statistical Manual of Mental  
82 Disorders", or (B) having a record of such an impairment.

83 (9) "Nonprofit corporation" means a nonprofit corporation  
84 incorporated pursuant to chapter 602 or any predecessor statutes  
85 thereto.

86 (10) "Awarding authority" means the head of a state agency or the  
87 head of a political subdivision of the state other than an exempt  
88 municipality.

89 (11) "Small municipality" means a municipality with a population of  
90 less than seventy thousand residents as determined by the most recent  
91 decennial census.

92 (12) "Exempt municipality" means (A) a small municipality, or (B) a  
93 municipality that has a set-aside program where the percentage of  
94 contracts required to be set aside for minority business enterprises  
95 exceeds the percentage set forth in subsection (b) of this section.

96 (b) It is found and determined that there is a serious need to help  
97 small contractors, minority business enterprises, nonprofit  
98 organizations and individuals with disabilities to be considered for  
99 and awarded state and municipal contracts for the construction,  
100 reconstruction or rehabilitation of public buildings, the construction  
101 and maintenance of highways and the purchase of goods and services.  
102 Accordingly, the necessity, in the public interest and for the public  
103 benefit and good, of the provisions of this section, sections 4a-60h to  
104 4a-60j, inclusive, and sections 32-9i to 32-9p, inclusive, is declared as a  
105 matter of legislative determination. Notwithstanding any provisions of  
106 the general statutes, [to the contrary,] and except as set forth [herein] in  
107 this section, the head of each state agency and each political

108 subdivision of the state other than [a] an exempt municipality shall set  
109 aside in each fiscal year, for award to small contractors, on the basis of  
110 competitive bidding procedures, contracts or portions of contracts for  
111 the construction, reconstruction or rehabilitation of public buildings,  
112 the construction and maintenance of highways and the purchase of  
113 goods and services. Eligibility of nonprofit corporations under the  
114 provisions of this section shall be limited to predevelopment contracts  
115 awarded by the Commissioner of Housing for housing projects. The  
116 total value of such contracts or portions thereof to be set aside by each  
117 such [agency] awarding authority shall be at least twenty-five per cent  
118 of the total value of all contracts let by the [head of such agency]  
119 awarding authority in each fiscal year, provided that neither: (1) A  
120 contract that may not be set aside due to a conflict with a federal law  
121 or regulation; or (2) a contract for any goods or services which have  
122 been determined by the Commissioner of Administrative Services to  
123 be not customarily available from or supplied by small contractors  
124 shall be included. Contracts or portions thereof having a value of not  
125 less than twenty-five per cent of the total value of all contracts or  
126 portions thereof to be set aside shall be reserved for awards to  
127 minority business enterprises.

128 (c) The [head of any state agency or political subdivision of the state  
129 other than a municipality] awarding authority may, in lieu of setting  
130 aside any contract or portions thereof, require any general or trade  
131 contractor or any other entity authorized by such [agency] awarding  
132 authority to award contracts, to set aside a portion of any contract for  
133 subcontractors who are eligible for set-aside contracts under this  
134 section. Nothing in this subsection shall be construed to diminish the  
135 total value of contracts which are required to be set aside by any state  
136 agency or political subdivision of the state other than [a] an exempt  
137 municipality pursuant to this section.

138 (d) The heads of all state agencies and of each political subdivision  
139 of the state other than a municipality shall notify the Commissioner of  
140 Administrative Services of all contracts to be set aside pursuant to  
141 subsection (b) or (c) of this section at the time that bid documents for

142 such contracts are made available to potential contractors.

143 (e) The awarding authority shall require that a contractor or  
144 subcontractor awarded a contract or a portion of a contract under this  
145 section perform not less than thirty per cent of the work with the  
146 workforces of such contractor or subcontractor and shall require that  
147 not less than fifty per cent of the work be performed by contractors or  
148 subcontractors eligible for awards under this section. A contractor  
149 awarded a contract or a portion of a contract under this section shall  
150 not subcontract with any person with whom the contractor is affiliated.  
151 No person who is affiliated with another person shall be eligible for  
152 awards under this section if both affiliated persons considered together  
153 would not qualify as a small contractor or a minority business  
154 enterprise under subsection (a) of this section. The awarding authority  
155 shall require that a contractor awarded a contract pursuant to this  
156 section submit, in writing, an explanation of any subcontract to such  
157 contract that is entered into with any person that is not eligible for the  
158 award of a contract pursuant to this section, prior to the performance  
159 of any work pursuant to such subcontract.

160 (f) The awarding authority may require that a contractor or  
161 subcontractor awarded a contract or a portion of a contract under this  
162 section furnish the following documentation: (1) A copy of the  
163 certificate of incorporation, certificate of limited partnership,  
164 partnership agreement or other organizational documents of the  
165 contractor or subcontractor; (2) a copy of federal income tax returns  
166 filed by the contractor or subcontractor for the previous year; and (3)  
167 evidence of payment of fair market value for the purchase or lease by  
168 the contractor or subcontractor of property or equipment from another  
169 contractor who is not eligible for set-aside contracts under this section.

170 (g) The awarding authority or the Commissioner of Administrative  
171 Services or the Commission on Human Rights and Opportunities may  
172 conduct an audit of the financial, corporate and business records and  
173 conduct an investigation of any small contractor or minority business  
174 enterprise which applies for or is awarded a set-aside contract for the

175 purpose of determining eligibility for awards or compliance with the  
176 requirements established under this section.

177 (h) The provisions of this section shall not apply to any [state agency  
178 or political subdivision of the state other than a municipality]  
179 awarding authority for which the total value of all contracts or  
180 portions of contracts of the types enumerated in subsection (b) of this  
181 section is anticipated to be equal to ten thousand dollars or less.

182 (i) In lieu of a performance, bid, labor and materials or other  
183 required bond, a contractor or subcontractor awarded a contract under  
184 this section may provide to the awarding authority, and the awarding  
185 authority shall accept, a letter of credit. Any such letter of credit shall  
186 be in an amount equal to ten per cent of the contract for any contract  
187 that is less than one hundred thousand dollars and in an amount equal  
188 to twenty-five per cent of the contract for any contract that exceeds one  
189 hundred thousand dollars.

190 (j) (1) Whenever the awarding authority has reason to believe that  
191 any contractor or subcontractor awarded a set-aside contract has  
192 wilfully violated any provision of this section, the awarding authority  
193 shall send a notice to such contractor or subcontractor by certified  
194 mail, return receipt requested. Such notice shall include: (A) A  
195 reference to the provision alleged to be violated; (B) a short and plain  
196 statement of the matter asserted; (C) the maximum civil penalty that  
197 may be imposed for such violation; and (D) the time and place for the  
198 hearing. Such hearing shall be fixed for a date not earlier than fourteen  
199 days after the notice is mailed. The awarding authority shall send a  
200 copy of such notice to the Commission on Human Rights and  
201 Opportunities.

202 (2) The awarding authority shall hold a hearing on the violation  
203 asserted unless such contractor or subcontractor fails to appear. The  
204 hearing shall be held in accordance with the provisions of chapter 54.  
205 If, after the hearing, the awarding authority finds that the contractor or  
206 subcontractor has wilfully violated any provision of this section, the  
207 awarding authority shall suspend all set-aside contract payments to

208 the contractor or subcontractor and may, in its discretion, order that a  
209 civil penalty not exceeding ten thousand dollars per violation be  
210 imposed on the contractor or subcontractor. If such contractor or  
211 subcontractor fails to appear for the hearing, the awarding authority  
212 may, as the facts require, order that a civil penalty not exceeding ten  
213 thousand dollars per violation be imposed on the contractor or  
214 subcontractor. The awarding authority shall send a copy of any order  
215 issued pursuant to this subsection by certified mail, return receipt  
216 requested, to the contractor or subcontractor named in such order. The  
217 awarding authority may cause proceedings to be instituted by the  
218 Attorney General for the enforcement of any order imposing a civil  
219 penalty issued under this subsection.

220 (k) (1) On or before January 1, 2000, the Commissioner of  
221 Administrative Services shall establish a process for certification of  
222 small contractors and minority business enterprises as eligible for set-  
223 aside contracts. Each certification shall be valid for a period not to  
224 exceed two years. Any paper application for certification shall be no  
225 longer than six pages. The Department of Administrative Services shall  
226 maintain on its web site an updated directory of small contractors and  
227 minority business enterprises certified under this section.

228 (2) The Commissioner of Administrative Services may revoke such  
229 certification for cause after notice and an opportunity for a hearing in  
230 accordance with the provisions of chapter 54. Any person aggrieved by  
231 the commissioner's decision to revoke such certification may appeal  
232 such decision to the Superior Court, in accordance with the provisions  
233 of section 4-183.

234 (3) Whenever the Commissioner of Administrative Services has  
235 reason to believe that a small contractor or minority business  
236 enterprise who has applied for or received certification under this  
237 section has included a materially false statement in his or her  
238 application, the commissioner may impose a penalty not exceeding ten  
239 thousand dollars after notice and a hearing held in accordance with  
240 chapter 54. Such notice shall include (A) a reference to the statement or

241 statements contained in the application alleged to be false, (B) the  
242 maximum civil penalty that may be imposed for such  
243 misrepresentation, and (C) the time and place of the hearing. Such  
244 hearing shall be fixed for a date not later than fourteen days from the  
245 date such notice is sent. The commissioner shall send a copy of such  
246 notice to the Commission on Human Rights and Opportunities.

247 (4) The commissioner shall hold a hearing prior to such revocation  
248 or denial or the imposition of a penalty, unless such contractor or  
249 subcontractor fails to appear. If, after the hearing, the commissioner  
250 finds that the contractor or subcontractor has wilfully included a  
251 materially false statement in his or her application for certification  
252 under this subsection, the commissioner shall revoke or deny the  
253 certification and may order that a civil penalty not exceeding ten  
254 thousand dollars be imposed on the contractor or subcontractor. If  
255 such contractor or subcontractor fails to appear for the hearing, the  
256 commissioner may, as the facts require, revoke or deny the certification  
257 and order that a civil penalty not exceeding ten thousand dollars be  
258 imposed on the contractor or subcontractor. The commissioner shall  
259 send a copy of any order issued pursuant to this subsection to the  
260 contractor or subcontractor named in such order. The commissioner  
261 may cause proceedings to be instituted by the Attorney General for the  
262 enforcement of any order imposing a civil penalty issued under this  
263 subsection.

264 (l) On or before August 30, [2007] 2015, and annually thereafter,  
265 each state agency and each political subdivision of the state other than  
266 [a] an exempt municipality setting aside contracts or portions of  
267 contracts shall prepare a report establishing small and minority  
268 business set-aside program goals for the twelve-month period  
269 beginning July first in the same year. Each such report shall be  
270 submitted to the Commissioner of Administrative Services, the  
271 Commission on Human Rights and Opportunities and the  
272 cochairpersons and ranking members of the joint standing committees  
273 of the General Assembly having cognizance of matters relating to  
274 planning and development and government administration. [and

275 elections.]

276 (m) On or before November 1, 1995, and quarterly thereafter, each  
277 state agency and each political subdivision of the state, other than a  
278 municipality, setting aside contracts or portions of contracts and on or  
279 before November 1, 2015, and quarterly thereafter, each political  
280 subdivision of the state, other than an exempt municipality, setting  
281 aside contracts or portions of contracts, shall prepare a status report on  
282 the implementation and results of its small business and minority  
283 business enterprise set-aside program goals during the three-month  
284 period ending one month before the due date for the report. Each  
285 report shall be submitted to the Commissioner of Administrative  
286 Services and the Commission on Human Rights and Opportunities.  
287 Any state agency or political subdivision of the state, other than [a] an  
288 exempt municipality, that achieves less than fifty per cent of its small  
289 contractor and minority business enterprise set-aside program goals by  
290 the end of the second reporting period in any twelve-month period  
291 beginning on July first, shall provide a written explanation to the  
292 Commissioner of Administrative Services and the Commission on  
293 Human Rights and Opportunities detailing how the agency or political  
294 subdivision will achieve its goals in the final reporting period. The  
295 Commission on Human Rights and Opportunities shall: (1) Monitor  
296 the achievement of the annual goals established by each state agency  
297 and political subdivision of the state other than [a] an exempt  
298 municipality; and (2) prepare a quarterly report concerning such goal  
299 achievement. The report shall be submitted to each state agency and  
300 political subdivision that submitted a report, the Commissioner of  
301 Economic and Community Development, the Commissioner of  
302 Administrative Services and the cochairpersons and ranking members  
303 of the joint standing committees of the General Assembly having  
304 cognizance of matters relating to planning and development and  
305 government administration. [and elections.] Failure by any state  
306 agency or political subdivision of the state other than a municipality to  
307 submit any reports required by this section shall be a violation of  
308 section 46a-77.

309 (n) Nothing in this section shall be construed to apply to the  
310 janitorial or service contracts awarded pursuant to subsections (b) to  
311 (d), inclusive, of section 4a-82, as amended by this act.

312 (o) The Commissioner of Administrative Services may adopt  
313 regulations in accordance with the provisions of chapter 54 to  
314 implement the provisions of this section.

315 Sec. 4. Section 4a-60h of the general statutes is repealed and the  
316 following is substituted in lieu thereof (*Effective October 1, 2014*):

317 (a) The Commissioner of Administrative Services shall be  
318 responsible for the administration of the set-aside program. The  
319 commissioner shall conduct regular training sessions, as the  
320 commissioner deems necessary, for state agencies and municipalities  
321 to explain the set-aside program and to specify the factors that must be  
322 addressed in calculating agency or municipal goals under the  
323 program. The commissioner shall conduct informational workshops to  
324 inform businesses of set-aside opportunities and responsibilities.

325 (b) The commissioner shall adopt regulations in accordance with the  
326 provisions of chapter 54 to carry out the purposes of sections 4a-60g to  
327 4a-60j, inclusive, as amended by this act. Such regulations shall include  
328 (1) provisions concerning the application of the program to individuals  
329 with a disability; (2) guidelines for a legally acceptable format for, and  
330 content of, letters of credit authorized under subsection (j) of section  
331 4a-60g, as amended by this act; (3) procedures for random site visits to  
332 the place of business of an applicant for certification at the time of  
333 application and at subsequent times, as necessary, to ensure the  
334 integrity of the application process; and (4) time limits for approval or  
335 disapproval of applications.

336 (c) On or before January 1, 1994, the Commissioner of  
337 Administrative Services shall, by regulations adopted in accordance  
338 with chapter 54, establish a process to ensure that small contractors,  
339 small businesses and minority business enterprises have fair access to  
340 all competitive contracts outside of the set-aside program.

341 Sec. 5. Section 4a-60i of the general statutes is repealed and the  
342 following is substituted in lieu thereof (*Effective October 1, 2014*):

343 Nothing in sections 4a-60g to 4a-60i, inclusive, as amended by this  
344 act, shall be construed to interfere with the responsibilities of the heads  
345 of all state agencies or municipalities to directly negotiate and approve  
346 all such contracts.

347 Sec. 6. Section 4a-62 of the 2014 supplement to the general statutes is  
348 repealed and the following is substituted in lieu thereof (*Effective*  
349 *October 1, 2014*):

350 (a) There is established a Minority Business Enterprise Review  
351 Committee. The committee shall consist of two members of the House  
352 of Representatives appointed by the speaker of the House, two  
353 members of the House appointed by the minority leader of the House,  
354 two members of the Senate appointed by the president pro tempore of  
355 the Senate, and two members of the Senate appointed by the minority  
356 leader of the Senate. The committee shall conduct an ongoing study of  
357 contract awards, loans and bonds made or guaranteed by the state or  
358 any political subdivision of the state [other than a municipality] for the  
359 purpose of determining the extent of compliance with the provisions  
360 of the general statutes concerning contract awards, loans and bonds for  
361 minority business enterprises, including the set-aside program for such  
362 business enterprises.

363 (b) The committee may request any agency of the state authorized to  
364 award public works contracts or to enter into purchase of goods or  
365 services contracts or any municipality subject to the set-aside program  
366 in accordance with section 4a-60g, as amended by this act, to submit  
367 such information on compliance with sections 4a-60 and 4a-60g, as  
368 amended by this act, and at such times as the committee may require.  
369 The committee shall consult with the Departments of Administrative  
370 Services, Transportation and Economic and Community Development  
371 and the Commission on Human Rights and Opportunities concerning  
372 compliance with the state programs for minority business enterprises.  
373 The committee shall report annually on or before February first to the

374 Joint Committee on Legislative Management on the results of its  
375 ongoing study and include its recommendations, if any, for legislation.

376 Sec. 7. Section 4a-82 of the 2014 supplement to the general statutes is  
377 repealed and the following is substituted in lieu thereof (*Effective*  
378 *October 1, 2014*):

379 (a) For the purposes of this section:

380 (1) "Person with a disability" means any individual with a disability,  
381 excluding blindness, as such term is applied by the Department of  
382 Mental Health and Addiction Services, the Department of  
383 Developmental Services, the Department of Rehabilitation Services or  
384 the Veterans' Administration and who is certified by the Department  
385 of Rehabilitation Services as qualified to participate in a qualified  
386 partnership, as described in subsections (e) to (l), inclusive, of this  
387 section;

388 (2) "Vocational rehabilitation service" means any goods and services  
389 necessary to render a person with a disability employable, in  
390 accordance with Title I of the Rehabilitation Act of 1973, 29 USC 701 et  
391 seq., as amended from time to time;

392 (3) "Community rehabilitation program" means any entity or  
393 individual that provides directly for or facilitates the provision of  
394 vocational rehabilitation services to, or provides services in connection  
395 with, the recruiting, hiring or managing of the employment of persons  
396 with disabilities based on an individualized plan and budget for each  
397 worker with a disability;

398 (4) "Commercial [janitorial] contractor" means any for-profit  
399 proprietorship, partnership, joint venture, corporation, limited liability  
400 company, trust, association or other privately owned entity that  
401 employs persons to perform janitorial work or contractual services,  
402 and that enters into contracts to provide janitorial services or  
403 contractual services;

404 (5) "Janitorial work" means work performed in connection with the

405 care or maintenance of buildings, including, but not limited to, work  
406 customarily performed by cleaners, porters, janitors and  
407 handypersons;

408 (6) "Janitorial contract" means a contract or subcontract to perform  
409 janitorial work for a department or agency of the state;

410 (7) "Person with a disadvantage" means any individual who is  
411 determined by the Labor Department, or its designee, to be eligible for  
412 employment services in accordance with the Workforce Investment  
413 Act or whose verified individual gross annual income during the  
414 previous calendar year was not greater than two hundred per cent of  
415 the federal poverty level for a family of four; [and]

416 (8) "Awarding authority" means the Commissioner of  
417 Administrative Services, Chief Court Administrator of the Judicial  
418 Branch and president of the Board of Regents for Higher Education, as  
419 applicable; [.] and

420 (9) "Contractual services" includes, but is not limited to, any and all  
421 laundry and cleaning services, mail supply room staffing, data entry,  
422 telephone call center staffing and other services specified by the  
423 Commissioner of Administrative Services under subsection (b) of this  
424 section.

425 (b) (1) The Commissioner of Administrative Services shall establish  
426 a program to create and expand janitorial work job opportunities for  
427 persons with a disability and persons with a disadvantage. The  
428 program shall create full-time jobs or full-time equivalents at standard  
429 wage rates for persons with disabilities and persons with  
430 disadvantages. The Judicial Branch and Board of Regents for Higher  
431 Education may participate in such program.

432 (2) The Commissioner of Administrative Services shall expand such  
433 program to include contractual services that the commissioner deems  
434 appropriate and shall post a list of such services on the department's  
435 Internet web site.

436 (c) Notwithstanding any other provision of the general statutes,  
437 under such program, the awarding authority may award janitorial  
438 contracts or contracts for contractual services pursuant to the following  
439 procedures: (1) Upon receipt of a request for janitorial services or a  
440 contractual service that the Commissioner of Administrative Services  
441 has deemed appropriate for inclusion in the program by an agency or  
442 department of the state, the awarding authority shall notify each  
443 qualified partnership, as described in subsections (e) to (l), inclusive, of  
444 this section, of such request and invite each qualified partnership in  
445 good standing to submit a bid proposal for such janitorial contract or  
446 service contract to the awarding authority in a manner and form as  
447 prescribed by the awarding authority; (2) in the event that only one  
448 such qualified partnership submits a bid or proposal for such janitorial  
449 or service contract, the awarding authority shall award such contract  
450 to such qualified partnership, provided such bid or proposal does not  
451 exceed the fair market value for such contract, as determined by the  
452 awarding authority; (3) if more than one qualified partnership submits  
453 a bid or proposal, the awarding authority shall award the contract to  
454 the lowest responsible qualified bidder or most advantageous  
455 proposer, as described in section 4a-59; and (4) in the event that a  
456 qualified partnership does not submit a bid or proposal or is not  
457 awarded such contract, the awarding authority shall award such  
458 contract in accordance with the provisions of sections 4a-59, 17b-656,  
459 as amended by this act, 4a-52a and 10a-151b or title 51, as applicable.  
460 No awarding authority shall award a contract under the provisions of  
461 this subsection at a site where employees are employed pursuant to an  
462 existing collective bargaining agreement or where a contract has been  
463 awarded pursuant to section 17b-656, as amended by this act, unless a  
464 contract has been previously awarded to a qualified partnership  
465 pursuant to this section at such site.

466 (d) Notwithstanding any other provision of the general statutes, the  
467 responsibilities of the Commissioner of Administrative Services, Chief  
468 Court Administrator or president of the Board of Regents for Higher  
469 Education as established in subsections (b) and (c) of this section, may  
470 not be delegated to an outside vendor.

471 (e) The Connecticut Community Providers Association shall  
472 designate a commercial [janitorial] contractor and a community  
473 rehabilitation program as a "qualified partnership" whenever the  
474 following criteria have been established: (1) Such commercial  
475 [janitorial] contractor has entered into a binding agreement with such  
476 community rehabilitation program in which such contractor agrees to  
477 fill not less than one-third of the jobs from a successful bid for a  
478 janitorial or service contract under the program established in  
479 subsections (b) to (d), inclusive, of this section with persons with  
480 disabilities and not less than one-third of such jobs with persons with a  
481 disadvantage; (2) such contractor employs not less than two hundred  
482 persons who perform janitorial work or contractual services in the  
483 state; and (3) such contractor certifies, in writing, that it will pay the  
484 standard wage to employees, including persons with disabilities,  
485 under such janitorial or service contract. Any partnership between a  
486 commercial [janitorial] contractor and a community rehabilitation  
487 program that has been denied designation as a qualified partnership  
488 may appeal such denial, in writing, to the Commissioner of  
489 Administrative Services and said commissioner may, after review of  
490 such appeal, designate such program as a qualified partnership.

491 (f) The requirement established in subsection (e) of this section to fill  
492 not less than one-third of the jobs from a successful bid for a janitorial  
493 or service contract with persons with disabilities and one-third with  
494 persons with a disadvantage shall be met whenever such [janitorial]  
495 contractor employs the requisite number of persons with disabilities  
496 and persons with a disadvantage throughout the entirety of its  
497 operations in the state provided any persons with disabilities  
498 employed by such [janitorial] contractor prior to the commencement  
499 date of any such contract shall not be counted for the purpose of  
500 determining the number of persons with disabilities employed by such  
501 [janitorial] contractor.

502 (g) The number of persons with disabilities and the number of  
503 persons with a disadvantage that such [janitorial] contractor is  
504 required to employ pursuant to the provisions of subsection (e) of this

505 section shall be employed not later than six months after the  
506 commencement of janitorial work or the contractual service under the  
507 terms of any contract awarded pursuant to the provisions of  
508 subsections (b) to (d), inclusive, of this section, provided such  
509 contractor shall fill any vacancy for janitorial work or contractual  
510 service that arises during the first six months of any such contract with  
511 persons with disabilities and persons with disadvantages.

512 (h) The Connecticut Community Providers Association shall  
513 develop an application process and submit a list of employees who  
514 have applied to participate in a partnership to the Department of  
515 Rehabilitation Services for certification. Such association shall maintain  
516 a list of certified employees who are persons with disabilities and  
517 community rehabilitation programs.

518 (i) Any qualified partnership awarded a janitorial or service contract  
519 pursuant to the provisions of subsections (b) to (d), inclusive, of this  
520 section shall provide to the Connecticut Community Providers  
521 Association, not later than six months after the commencement date of  
522 such contract and annually thereafter, a list of the persons with  
523 disabilities and persons with a disadvantage employed by such  
524 contractor that includes the date of hire and employment location for  
525 each such person. Such association shall certify annually to the  
526 Department of Administrative Services, the Judicial Branch or the  
527 Board of Regents for Higher Education, as applicable, in such manner  
528 and form as prescribed by the Commissioner of Administrative  
529 Services, Chief Court Administrator or the president of the Board of  
530 Regents for Higher Education, that the requisite number of persons  
531 with disabilities for such contract continue to be employed by such  
532 contractor in positions equivalent to those created under such  
533 [janitorial] contract and have been integrated into the general  
534 workforce of such contractor.

535 (j) Notwithstanding any other provision of the general statutes, the  
536 responsibilities of the Department of Rehabilitation Services, as  
537 established in subsections (e) to (l), inclusive, of this section, may not

538 be delegated to an outside vendor.

539 (k) The Commissioner of Rehabilitation Services may adopt  
540 regulations, in accordance with the provisions of chapter 54, to  
541 undertake the certification requirements established pursuant to  
542 subsections (e) to (l), inclusive, of this section.

543 (l) Notwithstanding the provisions of subsection (e) of this section,  
544 the Commissioner of Administrative Services shall authorize certified  
545 small and minority businesses to participate in such program.

546 (m) The joint standing committee of the General Assembly having  
547 cognizance of matters relating to government administration shall  
548 study the effectiveness of such program, including, but not limited to,  
549 the effectiveness of such program to create integrated work settings for  
550 persons with disabilities. Additionally, said committee shall study  
551 ways to provide incentives for municipalities and businesses to utilize  
552 such program if such program is determined by the committee to be  
553 effective.

554 (n) Each exclusive contract awarded prior to October 1, 2013,  
555 pursuant to section 17b-656, as amended by this act, shall remain in  
556 effect until such time as either party terminates the contract in such  
557 party's own best interest, with not less than sixty days written notice.  
558 Each such contract may be amended to include updated terms and  
559 conditions, but shall not allow for any price increases except statutory  
560 or mandated increases to the minimum wage and standard wage. If  
561 either party exercises his or her right to terminate any such contract,  
562 the next contract solicitation may be awarded pursuant to this section  
563 or sections 4a-59 and 17b-656, as amended by this act. Additionally,  
564 any new janitorial contract awarded pursuant to section 17b-656, as  
565 amended by this act, shall be limited to not more than four full-time  
566 employees per contract.

567 (o) Any person employed under a janitorial contract let: (1) On or  
568 before October 1, 2006, or thereafter if such contract constitutes a  
569 successor contract to such janitorial contract let on or before October 1,

2006, and (2) pursuant to section 4a-57, as amended by this act, or 10a-151b or by the judicial or legislative departments or pursuant to subsections (b) to (d), inclusive, of this section shall have the same rights conferred upon an employee by section 31-57g for the duration of the program described in subsections (b) to (d), inclusive, of this section. The provisions of this subsection shall not apply to any new janitorial contract with not more than four full-time employees per contract, as described in subsection (n) of this section.

(p) If a position is not available at a job site for a janitorial or service contract awarded pursuant to subsection (c) of this section and a person with a disability or a person with a disadvantage is placed at an alternate job site in the operations of the [janitorial] contractor pursuant to subsection (f) of this section, such person with a disability or person with a disadvantage shall be paid the wage applicable at such alternate site, provided when a position at the job site for a janitorial or service contract awarded pursuant to subsection (c) of this section becomes available, such person with a disability or person with a disadvantage shall be transferred to the job site for a janitorial or service contract awarded pursuant to subsection (c) of this section and shall be paid the applicable standard wage for such site.

(q) If a person with a disability or a person with a disadvantage is transferred pursuant to subsection (p) of this section and such person subsequently leaves such position, the position shall be filled with another person with a disability or person with a disadvantage.

Sec. 8. Subsection (f) of section 4a-57 of the 2014 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2014*):

(f) Nothing in this section shall be construed to apply to the award of janitorial or service contracts pursuant to the provisions of subsections (b) to (d), inclusive, of section 4a-82, as amended by this act.

Sec. 9. Section 17b-656 of the 2014 supplement to the general statutes

602 is repealed and the following is substituted in lieu thereof (*Effective*  
603 *October 1, 2014*):

604 Whenever any products made or manufactured by or services  
605 provided by persons with disabilities through community  
606 rehabilitation programs described in subsection (b) of section 17b-655  
607 or in any workshop established, operated or funded by nonprofit and  
608 nonsectarian organizations for the purpose of providing persons with  
609 disabilities training and employment suited to their abilities meet the  
610 requirements of any department, institution or agency supported in  
611 whole or in part by the state as to quantity, quality and price such  
612 products shall have preference over products or services from other  
613 providers, except (1) articles produced or manufactured by  
614 Department of Correction industries as provided in section 18-88, (2)  
615 emergency purchases made under section 4-98, and (3) janitorial or  
616 contractual services provided by a qualified partnership, pursuant to  
617 the provisions of subsections (b) to (d), inclusive, of section 4a-82, as  
618 amended by this act. All departments, institutions and agencies  
619 supported in whole or in part by the state shall purchase such articles  
620 made or manufactured and services provided by persons with  
621 disabilities from the Department of Rehabilitation Services. Any  
622 political subdivision of the state may purchase such articles and  
623 services through the Department of Rehabilitation Services. A list  
624 describing styles, designs, sizes and varieties of all such articles made  
625 by persons with disabilities and describing all available services  
626 provided by such persons shall be prepared by the Connecticut  
627 Community Providers Association.

628 Sec. 10. (NEW) (*Effective October 1, 2014*) Notwithstanding any  
629 provision of the general statutes, the Commissioner of Administrative  
630 Services may select manufacturers or fabricators to be on a list  
631 established for the purpose of providing any manufacturing or metal  
632 fabricating services. Such list shall be established as provided in  
633 sections 4b-56 of the general statutes, as amended by this act, and 4b-  
634 57 of the general statutes, as amended by this act. The commissioner  
635 may enter into a contract with any manufacturer or fabricator on such

636 list to perform a range of manufacturing or fabricating services for the  
637 state or to perform a range of tasks pursuant to a task letter detailing  
638 services to be performed under such contract.

639 Sec. 11. Section 4b-55 of the general statutes is repealed and the  
640 following is substituted in lieu thereof (*Effective October 1, 2014*):

641 As used in this section, section 4b-1, section 10 of this act and  
642 sections 4b-56 to 4b-59, inclusive, as amended by this act, unless the  
643 context clearly requires otherwise:

644 (a) "Commissioner" means the Commissioner of Administrative  
645 Services;

646 (b) "Consultant" means (1) any architect, professional engineer,  
647 landscape architect, land surveyor, accountant, interior designer,  
648 environmental professional or construction administrator, who is  
649 registered or licensed to practice such person's profession in  
650 accordance with the applicable provisions of the general statutes, or (2)  
651 any planner or financial specialist;

652 (c) "Consultant services" [shall include] includes those professional  
653 services rendered by architects, professional engineers, landscape  
654 architects, land surveyors, accountants, interior designers,  
655 environmental professionals, construction administrators, planners or  
656 financial specialists, as well as incidental services that members of  
657 these professions and those in their employ are authorized to perform;

658 (d) "University of Connecticut library project" means a project to  
659 renovate and improve the Homer Babbidge Library at The University  
660 of Connecticut;

661 (e) "Firm" means any individual, partnership, corporation, joint  
662 venture, association or other legal entity (1) authorized by law to  
663 practice the profession of architecture, landscape architecture,  
664 engineering, land surveying, accounting, interior design,  
665 environmental or construction administration, or (2) practicing the  
666 profession of planning or financial specialization;

667 (f) "Priority higher education facility project" means any project  
668 which is part of a state program to repair, renovate, enlarge, equip,  
669 purchase or construct (1) instructional facilities, (2) academic core  
670 facilities, including library, research and laboratory facilities, (3)  
671 student residential or related student dining facilities, or (4) utility  
672 systems related to such projects, which are or will be operated under  
673 the jurisdiction of the board of trustees of any constituent unit of the  
674 state system of higher education, except The University of Connecticut  
675 provided the project is included in the comprehensive facilities master  
676 plan of the constituent unit in the most recent state facility plan of the  
677 Office of Policy and Management pursuant to section 4b-23;

678 (g) "Project" means any state program requiring consultant,  
679 manufacturer or fabricator services if the cost of such services is  
680 estimated to exceed three hundred thousand dollars;

681 (h) "Selection panel" or "panel" means the State Construction  
682 Services Selection Panel established pursuant to subsection (a) of  
683 section 4b-56 or, in the case of a Connecticut Health and Education  
684 Facilities Authority project pursuant to section 10a-186a, means the  
685 Connecticut Health and Education Facilities Authority Construction  
686 Services Panel established pursuant to subsection (c) of section 4b-56;

687 (i) "User agency" means the state department or agency requesting  
688 the project or the agency for which such project is being undertaken  
689 pursuant to law;

690 (j) "Community court project" means (1) any project to renovate and  
691 improve a facility designated for the community court established  
692 pursuant to section 51-181c, and (2) the renovation and improvement  
693 of other state facilities required for the relocation of any state agency  
694 resulting from the placement of the community court;

695 (k) "Connecticut Juvenile Training School project" means a project  
696 (1) to develop on a designated site new facilities for a Connecticut  
697 Juvenile Training School in Middletown including, but not limited to,  
698 preparing a feasibility study for, designing, constructing,

699 reconstructing, improving or equipping said facility for use by the  
700 Department of Children and Families, which is an emergency project  
701 because there is an immediate need for completion of said project to  
702 remedy overcrowding at Long Lane School; said school shall have an  
703 annual average daily population of not more than two hundred forty  
704 residents; or (2) to develop a separate facility for girls including, but  
705 not limited to, acquiring of land or buildings, designing, constructing,  
706 reconstructing, improving or equipping said facility for use by the  
707 Department of Children and Families;

708 (l) "Downtown Hartford higher education center project" means a  
709 project to develop a higher education center, as defined in  
710 subparagraph (B) of subdivision (2) of section 32-600, and as described  
711 in subsection (a) of section 32-612, for the regional community-  
712 technical college system;

713 (m) "Correctional facility project" means any project (1) which is  
714 part of a state program to repair, renovate, enlarge or construct  
715 facilities which are or will be operated by the Department of  
716 Correction, and (2) for which there is an immediate need for  
717 completion in order to remedy prison and jail overcrowding; [and]

718 (n) "Juvenile detention center project" means any project (1) which is  
719 part of a state program to repair, renovate, enlarge or construct  
720 juvenile detention centers which are or will be operated by the Judicial  
721 Department, and (2) for which there is an immediate need for  
722 completion in order to remedy overcrowding; [.]

723 (o) "Manufacturer" means any business entity that is engaged in the  
724 business of manufacturing, as defined in subdivision (72) of section 12-  
725 81;

726 (p) "Fabricator" means any business entity that is engaged in the  
727 business of making, building, creating, producing or assembling  
728 components made of metal in a new or different manner;

729 (q) "Manufacturer services" includes professional services rendered

730 by manufacturers as well as incidental services that manufacturers and  
731 those in their employ are authorized to perform; and

732 (r) "Fabricator services" includes professional services rendered by  
733 fabricators as well as incidental services that fabricators and those in  
734 their employ are authorized to perform.

735 Sec. 12. Subsection (e) of section 4b-56 of the 2014 supplement to the  
736 general statutes is repealed and the following is substituted in lieu  
737 thereof (*Effective October 1, 2014*):

738 (e) There shall be established, within the Department of  
739 Administrative Services, a State Construction Services Selection Panel  
740 that shall consist of three members. Such members shall be appointed  
741 by the commissioner, shall be current employees of the Department of  
742 Administrative Services or any agency for which consultant,  
743 manufacturer or fabricator services may be contracted, and shall serve  
744 only for deliberations involving the selection of consultants under  
745 subsection (d) of section 4b-51 or the selection of manufacturers or  
746 fabricators under section 10 of this act for which the employees are  
747 appointed.

748 Sec. 13. Section 4b-57 of the general statutes is repealed and the  
749 following is substituted in lieu thereof (*Effective October 1, 2014*):

750 (a) Whenever consultant, manufacturer or fabricator services are  
751 required by the commissioner in fulfilling the responsibilities under  
752 section 4b-1, and in the case of each project, the commissioner shall  
753 invite responses from such firms by advertisements inserted at least  
754 once in one or more newspapers having a circulation in each county in  
755 the state except that the commissioner may receive consultant services  
756 under a contract entered into pursuant to subsection (d) of section 4b-  
757 51 or manufacturer or fabricator services under a contract entered into  
758 pursuant to section 10 of this act. The commissioner shall prescribe, by  
759 regulations adopted in accordance with chapter 54, the advance notice  
760 required for, the manner of submission, and conditions and  
761 requirements of, such responses.

762 (b) In the case of a project where consultant services are required,  
763 the responses received shall be considered by the selection panel. The  
764 panel shall select from among those responding no fewer than three  
765 firms, which such panel determines in accordance with criteria  
766 established by the commissioner are most qualified to perform the  
767 required consultant services. In the case of any project that requires  
768 consultant services by an architect or professional engineer, additional  
769 criteria to be considered by such panel in selecting a list of the most  
770 qualified firms shall include: (1) Such firm's knowledge of this state's  
771 building and fire codes, and (2) the geographic location of such firm in  
772 relation to the geographic location of the proposed project. The  
773 selection panel shall submit a list of the most qualified firms to the  
774 commissioner for the commissioner's consideration unless fewer than  
775 three responses for a particular project have been received, in which  
776 case the panel shall submit the names of all firms who have submitted  
777 responses.

778 (c) In the case of a project where manufacturer or fabricator services  
779 are required, the responses received shall be considered by the  
780 selection panel. The panel shall select from among those responding no  
781 fewer than three manufacturers or three fabricators, which such panel  
782 determines in accordance with criteria established by the  
783 commissioner are most qualified to perform the required manufacturer  
784 or fabricator services. In selecting a list of the most qualified  
785 manufacturers or fabricators, the panel shall also consider the  
786 geographic location of such manufacturer or fabricator in relation to  
787 the geographic location of the proposed project. The selection panel  
788 shall submit a list of the most qualified manufacturers or fabricators to  
789 the commissioner for the commissioner's consideration unless fewer  
790 than three responses for a particular project have been received, in  
791 which case the panel shall submit the names of all manufacturers or all  
792 fabricators who have submitted responses.

793 [(c)] (d) In the case of consultants selected under subsection (d) of  
794 section 4b-51 or manufacturers or fabricators selected under section 10  
795 of this act, the responses received shall be considered by the selection

796 panel. The panel shall select, from among those persons responding, a  
797 list of those persons most qualified to perform the consultant,  
798 manufacturer or fabricator services. Knowledge of the state building  
799 and fire code and whether the consultant is a micro business, as  
800 defined in subsection (c) of section 4a-59, shall be considered in  
801 determining a consultant's qualifications.

802 Sec. 14. Section 4b-58 of the general statutes is repealed and the  
803 following is substituted in lieu thereof (*Effective October 1, 2014*):

804 (a) (1) Except in the case of a project, a priority higher education  
805 facility project, a project, as defined in subdivision (16) of section 10a-  
806 109c, undertaken by The University of Connecticut, a community court  
807 project, a correctional facility project, a juvenile detention center  
808 project, and the downtown Hartford higher education center project,  
809 the commissioner shall negotiate a contract for consultant services with  
810 the firm most qualified and in the case of a contract for manufacturer  
811 or fabricator services, the manufacturer or fabricator most qualified, in  
812 the commissioner's judgment, at compensation which the  
813 commissioner determines is both fair and reasonable to the state. (2) In  
814 the case of a project, the commissioner shall negotiate a contract for  
815 such services with the most qualified firm from among the list of firms,  
816 or most qualified manufacturer or fabricator from among the list of  
817 manufacturers or fabricators, submitted by the panel at compensation  
818 which the commissioner determines in writing to be fair and  
819 reasonable to the state. If the commissioner is unable to conclude a  
820 contract with any of the firms, manufacturers or fabricators  
821 recommended by the panel, the commissioner shall, after issuing  
822 written findings of fact documenting the reasons for such inability,  
823 negotiate with those firms, manufacturers or fabricators, which the  
824 commissioner determines to be most qualified, at fair and reasonable  
825 compensation, to render the particular consultant, manufacturer or  
826 fabricator services under consideration. (3) Whenever consultant,  
827 manufacturer or fabricator services are required for a priority higher  
828 education facility project, a project involving the construction, repair or  
829 alteration of a building or premises under the supervision of the Office

830 of the Chief Court Administrator or property where the Judicial  
831 Department is the primary occupant, a community court project, a  
832 correctional facility project, a juvenile detention center project, or the  
833 downtown Hartford higher education center project, the commissioner  
834 shall select and interview at least three consultants or firms and shall  
835 negotiate a contract for consultant services with the firm most  
836 qualified, and in the case of a contract for manufacturer or fabricator  
837 services, the commissioner shall select and interview at least three  
838 manufacturers or fabricators and shall negotiate a contract for  
839 manufacturer or fabricator services with the manufacturer or fabricator  
840 most qualified, in the commissioner's judgment, at compensation  
841 which the commissioner determines is both fair and reasonable to the  
842 state, except that if, in the opinion of the commissioner, the  
843 Connecticut Juvenile Training School project needs to be expedited in  
844 order to meet the needs of the Department of Children and Families,  
845 the commissioner may waive such selection requirement. Except for  
846 the downtown Hartford higher education center project, the  
847 commissioner shall notify the State Properties Review Board of the  
848 commissioner's action not later than five business days after such  
849 action for its approval or disapproval in accordance with subsection (i)  
850 of section 4b-23, as amended by this act, except that if, not later than  
851 fifteen days after such notice, a decision has not been made, the board  
852 shall be deemed to have approved such contract.

853 (b) In determining fair and reasonable compensation to be paid in  
854 accordance with subsection (a) of this section, the commissioner shall  
855 consider, in the following order of importance, the professional  
856 competence of the consultant, manufacturer or fabricator, the technical  
857 merits of the proposal, the ability of the firm, manufacturer or  
858 fabricator to perform the required services within the time and  
859 budgetary limits of the contract and the price for which the services are  
860 to be rendered.

861 Sec. 15. Subsection (i) of section 4b-23 of the 2014 supplement to the  
862 general statutes is repealed and the following is substituted in lieu  
863 thereof (*Effective October 1, 2014*):

864 (i) As used in this subsection, (1) "project" means any state program,  
865 except the downtown Hartford higher education center project, as  
866 defined in subsection (l) of section 4b-55, requiring consultant,  
867 manufacturer or fabricator services if the cost of such services is  
868 estimated to exceed one hundred thousand dollars or, in the case of a  
869 constituent unit of the state system of higher education, the cost of  
870 such services is estimated to exceed three hundred thousand dollars,  
871 or in the case of a building or premises under the supervision of the  
872 Office of the Chief Court Administrator or property where the Judicial  
873 Department is the primary occupant, the cost of such services is  
874 estimated to exceed three hundred thousand dollars; (2) "consultant"  
875 means "consultant" as defined in section 4b-55, as amended by this act;  
876 [and] (3) "consultant services" means "consultant services" as defined  
877 in section 4b-55, as amended by this act; (4) "manufacturer" means  
878 "manufacturer" as defined in section 4b-55, as amended by this act; (5)  
879 "fabricator" means "fabricator" as defined in section 4b-55, as amended  
880 by this act; (6) "manufacturer services" means "manufacturer services"  
881 as defined in section 4b-55, as amended by this act; and (7) "fabricator

882 services" means "fabricator services" as defined in section 4b-55, as  
883 amended by this act. Any contracts entered into by the Commissioner  
884 of Administrative Services with any consultants, manufacturers or  
885 fabricators for employment (A) for any project under the provisions of  
886 this section, (B) in connection with a list established under subsection  
887 (d) of section 4b-51 or section 10 of this act, or (C) by task letter issued  
888 by the Commissioner of Administrative Services to any consultant,  
889 manufacturer or fabricator on such list pursuant to which the  
890 consultant, manufacturer or fabricator will provide services valued in  
891 excess of one hundred thousand dollars, shall be subject to the  
892 approval of the Properties Review Board prior to the employment of  
893 such consultant, manufacturer or fabricator or consultants,  
894 manufacturers or fabricators by the commissioner. The Properties  
895 Review Board shall, not later than thirty days after receipt of such  
896 selection of or contract with any consultant, manufacturer or fabricator  
897 approve or disapprove the selection of or contract with any consultant,  
898 manufacturer or fabricator made by the Commissioner of Construction

899 Services pursuant to sections 4b-1 and 4b-55 to 4b-59, inclusive, as  
 900 amended by this act. If upon the expiration of the thirty-day period a  
 901 decision has not been made, the Properties Review Board shall be  
 902 deemed to have approved such selection or contract.

903 Sec. 16. Section 4b-4 of the 2014 supplement to the general statutes is  
 904 repealed and the following is substituted in lieu thereof (*Effective from*  
 905 *passage*):

906 [(a) No] Each nonclerical employee in the unit in the Department of  
 907 Administrative Services that is responsible for acquiring, leasing and  
 908 selling real property on behalf of the state [shall be directly involved in  
 909 any enterprise that does business with the state or be directly or  
 910 indirectly involved in any enterprise concerned with real estate  
 911 acquisition or development. Each] and each member of the State  
 912 Properties Review Board [and each such employee of the Department  
 913 of Administrative Services] shall file, with the Office of State Ethics, a  
 914 statement of financial interests pursuant to the provisions of section 1-  
 915 83.

916 [(b) The provisions of sections 1-82, 1-82a and 1-88 shall apply to  
 917 any alleged violation of this section.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	10-29a(a)
Sec. 2	<i>from passage</i>	10-298(b)
Sec. 3	<i>October 1, 2014</i>	4a-60g
Sec. 4	<i>October 1, 2014</i>	4a-60h
Sec. 5	<i>October 1, 2014</i>	4a-60i
Sec. 6	<i>October 1, 2014</i>	4a-62
Sec. 7	<i>October 1, 2014</i>	4a-82
Sec. 8	<i>October 1, 2014</i>	4a-57(f)
Sec. 9	<i>October 1, 2014</i>	17b-656
Sec. 10	<i>October 1, 2014</i>	New section
Sec. 11	<i>October 1, 2014</i>	4b-55
Sec. 12	<i>October 1, 2014</i>	4b-56(e)
Sec. 13	<i>October 1, 2014</i>	4b-57

Sec. 14	<i>October 1, 2014</i>	4b-58
Sec. 15	<i>October 1, 2014</i>	4b-23(i)
Sec. 16	<i>from passage</i>	4b-4

***Statement of Legislative Commissioners:***

Section 9 was deleted as duplicative of section 3 and in section 13(b) "where consultant services are required" was inserted for consistency with the provisions of section 13(c).

**GAE**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

## **OFA Fiscal Note**

### **State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 15 \$</b>	<b>FY 16 \$</b>
Dept. of Administrative Services	GF - Cost	79,837	106,449
State Comptroller - Fringe Benefits <sup>1</sup>	GF - Cost	29,268	39,024
Various State Agencies	GF - Potential Cost	See Below	See Below

### **Municipal Impact:**

<b>Municipalities</b>	<b>Effect</b>	<b>FY 15 \$</b>	<b>FY 16 \$</b>
Danbury; New Britain; Norwalk; Stamford; Waterbury	STATE MANDATE - Cost	Potential	Potential

### **Explanation**

The bill requires municipalities with a population greater than 70,000 that do not currently have a set-aside program, to participate in the state program for small and minority contractors. Five municipalities: (1) Danbury; (2) New Britain; (3) Norwalk; (4) Stamford; and (5) Waterbury would be affected by this bill. This may increase costs to five municipalities if contracts that would otherwise be awarded to the lowest qualified bidder are awarded to a small or minority contractor.

The Department of Administrative Services (DAS) will need to hire two positions, at a cost of \$109,105 (\$79,837 in salary and \$29,268 in fringe benefits) in FY 15, to implement the municipal set-aside

<sup>1</sup>The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 36.66% of payroll in FY 15 and FY 16.

program. These positions would provide training and assist municipalities on the set-aside program, as well as auditing the records of companies that apply for small business or minority business enterprise certification. Expanding the set-aside program would also potentially increase the number of vendors seeking small contractor or minority business enterprise certification from DAS, which would be handled by these new positions.

The bill also expands the janitorial work program for people with disability or disadvantage to include certain services deemed appropriate by DAS. Expanding the program is not anticipated to result in a fiscal impact on the state as contracts awarded under the program cannot exceed the fair market value for such contracts and existing contracts over \$50,000 are subject to the standard wage law.

Additionally, the bill requires DAS, rather than the general contractors or construction manager-at-risk, to select and enter into contracts with manufacturers and fabricators. DAS is required to give geographic preference to certain manufacturers and fabricators. It should be noted that there may be a potential loss in federal funds due to federal regulations prohibiting specifying a geographic preference.

The bill also requires approval of certain manufacturers and fabricator services contracts by the State Properties Review Board (SPRB). This provision has no fiscal impact, as the SPRB already performs this function.

The bill also establishes both a Breast Cancer Awareness Day and a Neurological Disorders Awareness Day and requires exercises observing the day as designated by the Governor. Various state agencies may incur costs for engaging in the exercises designated by the Governor. The costs for affected agencies would be dependent upon the location, nature, and size of exercises.

Lastly, the bill modifies reporting requirements for certain state employees. This has no fiscal impact.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****sSB 451****AN ACT CONCERNING GOVERNMENT ADMINISTRATION AND STATE CONTRACTING.****SUMMARY:**

This bill makes several unrelated changes affecting government administration. It requires municipalities that (1) have populations greater than 70,000 and (2) do not already have their own set-aside program to participate in the state set-aside program for small and minority contractors. It also expands the janitorial work program for people with a disability or disadvantage to include services deemed appropriate by the Department of Administrative Services (DAS) commissioner, including laundry and cleaning services, mail supply room staffing, data entry, call center staffing, and other services specified by the commissioner. By law, the program must create and expand work opportunities, specifically full-time jobs or full-time equivalents at standard wage rates, for people with a disability (excluding blindness) and people with a disadvantage (see BACKGROUND: *Person With a Disadvantage*).

The bill revamps the process for contracting with manufacturers and metal fabricators for DAS-administered public works projects. It requires DAS, rather than the general contractor or construction manager at-risk, to select and enter into contracts with manufacturers and fabricators. DAS must (1) use generally the same process that it uses under existing law for awarding consultant services contracts and (2) give a geographic preference to certain manufacturers and fabricators. The bill also subjects certain manufacturer and fabricator services contracts to review and approval by the State Properties Review Board.

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The bill establishes (1) October 30 as Are You Dense? Breast Cancer

Awareness Day and (2) October 9 as Neurological Disorders Awareness Day. It requires suitable exercises to be held in the State Capitol or elsewhere as the governor designates (§ 1). It specifies that the Department of Rehabilitation Services (DORS) can accept a bequest or gift of money. The department can already accept a bequest or gift of personal property and a devise or gift of real property (§ 2).

Lastly, the bill eliminates a prohibition on direct involvement, by nonclerical employees in the DAS unit that acquires, leases, and sells real property, in any enterprise that (1) does business with the state or (2) is concerned with real estate acquisition or development. Such employees remain subject to the State Code of Ethics, which, among other things, prohibits state employees from accepting outside employment that (1) is in substantial conflict with their state duties, (2) impairs their independence of judgment regarding their state duties, or (3) encourages them to disclose confidential information (§ 17).

The bill also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2014, except for the sections concerning the awareness days, DORS, and employees in DAS's property unit, which are effective upon passage.

### **§§ 3-6 — SET-ASIDE PROGRAM**

Under current law, state agencies and political subdivisions, other than municipalities, must set aside 25% of the total value of all contracts they let for construction, goods, and services each year for exclusive bidding by certified small contractors (SBE). The agencies must further reserve 25% of the set-aside value (6.25% of the total) for exclusive bidding by certified minority business enterprises (MBE) (see BACKGROUND: *Definitions of SBE and MBE*).

The bill requires municipalities to participate in the state set-aside program if they (1) have populations greater than 70,000 and (2) do not already have a program where the MBE set-aside exceeds 6.25%. It subjects them to requirements in existing law concerning goal-setting and reporting, but does not require them to inform the DAS

commissioner of contracts to be set aside at the time bid documents are made available. Municipalities covered by the bill must also ensure compliance by contractors and subcontractors awarded set-aside contracts.

According to the 2010 census, Danbury, New Britain, Norwalk, Stamford, and Waterbury would be covered by the bill. (Bridgeport, Hartford, and New Haven have set-aside programs that meet the bill's requirements for an exemption.) It is unclear if the state can extend the set-aside program to these five municipalities without a disparity study (see BACKGROUND: *Judicial Review of Set-Aside Programs*).

### **§§ 3, 7-9 — JANITORIAL PROGRAM**

The bill expands the janitorial work program for people with a disability or disadvantage to include services deemed appropriate by the DAS commissioner. Such services include laundry and cleaning services, mail supply room staffing, data entry, call center staffing, and other services specified by the DAS commissioner. The commissioner must post on the department's website a list of the services he deems appropriate to include in the program.

Under the program, the DAS commissioner awards contracts to qualified partnerships, which are commercial janitorial (or, under the bill, service) contractors and community rehabilitation programs, designated by the Connecticut Community Providers Association, that meet certain criteria. Under current law, the contractor must employ at least 200 people who perform janitorial work in Connecticut. The bill instead requires the contractor to employ at least 200 people who perform janitorial work or contractual services in Connecticut.

The Judicial Branch and Board of Regents for Higher Education may also participate in the program. The law establishes requirements concerning (1) bidding on and awarding the contracts and (2) reporting by qualified partnerships.

### **§§ 10-15 — SELECTION OF MANUFACTURERS AND FABRICATORS**

The bill revamps the process for contracting with manufacturers and metal fabricators for DAS-administered public works projects. Current law does not specifically address contracts with these entities, but in practice, manufacturers and fabricators are typically selected by, and enter into contracts with, the general contractor or construction manager at-risk.

The bill instead requires DAS, rather than the general contractor or construction manager at-risk, to select and enter into contracts with manufacturers and fabricators. DAS must (1) use the same process it uses under existing law for awarding consultant services contracts and (2) give a geographic preference to certain manufacturers and fabricators.

Under the bill, a “manufacturer” is a business entity that converts or conditions tangible personal property by changing its form, composition, quality, or character for (1) ultimate sale at retail or (2) use in manufacturing a product to be ultimately sold at retail. A “fabricator” is a business entity that makes, builds, creates, produces, or assembles components made of metal in a new or different manner. Manufacturer and fabricator services are professional services rendered by these entities, as well as incidental services that these entities and their employees are authorized to perform.

### ***Selection Process***

The bill requires DAS to select manufacturers and metal fabricators in generally the same manner as it selects consultants under existing law.

By law, DAS must establish selection panels to evaluate consultant services proposals (e.g., architectural services, professional engineers, accountants, and others) valued at more than \$300,000. The panels must submit a list of the most qualified firms to the DAS commissioner for his consideration. In doing so, the panel must follow criteria established by the commissioner and also consider the firm’s location relative to the project site and its knowledge of the state building and

fire codes. Each panel is project-specific (i.e., a new panel is appointed for each project). The panel must forward at least three firms to the commissioner, except that it must forward all firms if it receives one or two proposals.

The bill extends these requirements to manufacturer or fabricator services that cost more than \$300,000 (but it does not extend to them the preference for knowledge of the state building and fire safety codes). It similarly allows DAS to use an on-call process for manufacturers and fabricators. An on-call contract defines a broad range of consultant services (expanded by the bill to include manufacturer and fabricator services) and is generally valid for two to three years. An on-call contract is not connected to a specific project; rather, DAS subsequently issues task letters to firms with on-call contracts that identify a specific scope of services to be performed and the fee for those services.

### ***Contract Award***

The bill extends existing law's requirements for awarding consultant contracts to include contracts with manufacturers and fabricators. Under the bill, if the value of the services is expected to be \$300,000 or less, the commissioner must negotiate a contract, at compensation he determines is fair and reasonable to the state, with the manufacturer or fabricator he determines is most qualified. The commissioner must do the same for those projects for which a selection panel makes recommendations, except that he must negotiate first with the manufacturer or fabricator the panel ranked as most qualified. If the commissioner cannot enter into a contract with any of the manufacturers or fabricators recommended by the panel, he must document the reasons in writing and proceed to negotiate with the manufacturers or firms he determines are most qualified, at fair and reasonable compensation.

For "fast-track" projects, the bill requires the DAS commissioner, with certain exceptions, to select and interview at least three manufacturers or fabricators and negotiate a contract, at compensation

he determines is fair and reasonable to the state, with the manufacturer or fabricator he determines is most qualified. The law establishes five fast-track projects: (1) a community court project, (2) the downtown Hartford higher education center project, (3) a correctional facility project, (4) a juvenile detention center project, and (5) Connecticut State University System student dormitories.

### ***State Properties Review Board Approval***

The bill requires DAS contracts with manufacturers and fabricators to be approved by the State Properties Review Board if they cost more than \$100,000 (\$300,000 for higher education and Judicial Department projects). The approval requirement also applies to all DAS on-call contracts and to task letters if the task letter's value exceeds \$100,000. The board has 30 days to approve or disapprove the contract or task letter; the contract or letter is deemed approved if the board does not act within this time period. Under existing law, each of these requirements applies to DAS consultant contracts.

## **BACKGROUND**

### ***Person With a Disadvantage***

An individual is classified as a person with a disadvantage if (1) his or her income is no more than 200% of the federal poverty level for a family of four or (2) he or she is eligible for employment services under the federal Workforce Investment Act as the state Labor Department determines.

### ***Definitions of SBE and MBE***

An SBE is a business that (1) maintains its principal place of business in Connecticut, (2) had gross revenues of \$15 million or less during its most recent fiscal year, and (3) is independent. MBEs are small contractors owned by women, minorities, or people with disabilities who have managerial and technical competence and experience directly related to their principal business activities.

### ***Judicial Review of Set-Aside Programs***

In *City of Richmond v. Croson*, (488 U.S. 469), the U.S. Supreme Court

held that race-based action by local and state governments requires strict scrutiny review under the Fourteenth Amendment's equal protection clause. To withstand strict scrutiny review, the government must demonstrate that the statute serves a compelling public interest and is narrowly tailored to meet that interest.

Regarding racial preferences or quotas in public contracting, the Court held that a public agency must show statistical evidence of a significant disparity between the number of qualified minority contractors willing and able to perform a particular service and the number actually hired by the agency or its prime contractors.

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 14      Nay 0      (03/24/2014)